

## **n4a Friday Report #2, June 20, 2003**

The n4a *Friday Report* is published biweekly when Congress is in session as a vehicle to keep n4a members up-to-date and to provide information links on policy activities affecting older adults.

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### **Feature Issues**

#### **Medicare Rx Drug Benefit Legislation Debated in the House and Senate**

Progress on establishing a Medicare prescription drug legislation continued this week, with legislation approved by the House Ways and Means and Energy & Commerce Committees and floor debate and votes on amendments occurring in the Senate all week on S.1, the Senate Finance Committee prescription drug bill. During the Energy & Commerce Committee mark-up on the House version (H.R. 2473), Democrats were unsuccessful in striking language that would make the traditional Medicare fee-for-service system compete with private plans, losing on a 25-29 party-line vote.

In the Senate, amendments intended to increase the size of the drug benefit and guarantee a traditional Medicare “fallback” plan in all regions regardless if private plans were available were defeated. In an unexpected victory today, an amendment offered by Senator Byron Dorgan (D-ND) to allow prescription drugs to be reimported from Canada was adopted by a vote of 62-28. Senators are expected to continue consideration of amendments Monday as they work to finish the bill before the July Fourth recess beginning June 27. Debate on the House floor is expected to begin early next week.

#### **NGA Task Force Medicaid Reform Proposal Bogged Down**

As reported (Friday Report, 6/6/03), the National Governors Association (NGA) convened a Medicaid Reform Task Force to respond to the Administration’s Medicaid reform proposal. The Task Force, consisting of a bipartisan group of ten governors, developed a draft proposal addressing concerns over the Administration’s proposal, which they said would not protect states against unexpected Medicaid costs that could arise.

Last week, Republican and Democratic members of the Task Force failed to reach a consensus, each issuing separate statements to Health and Human Services Secretary Tommy Thompson in response to the Administration’s proposal. The two sides split over the major contention of whether the Medicaid financing system should be changed from the current entitlement program, that guarantees money to cover everyone eligible for care, to a block grant approach that would limit the federal payments. Due to the lack of consensus on the NGA Task Force proposal as well as opposition from legislators of both parties in the Senate, the timeline for considering Medicaid reform is expected to slip to later this summer at the earliest.

## **Other News**

### **Elder Justice Act Introduced in the House**

H.R. 2490, the Elder Justice Act, was introduced in the House of Representatives on June 17 by Representatives Rahm Emanuel (D-IL), Roy Blunt (R-MO) and Peter King (R-NY). The bill garnered the support of 46 original co-sponsors. The House measure mirrors legislation in the Senate, S. 333, reintroduced this Congress by Sen. John Breaux (D-LA) and Sen. Orrin Hatch (R-UT) to address the national problem of elder abuse and guarantee protections for older adults. The legislation would create new Offices of Elder Justice in both the Department of Justice and Health and Human Services, and would enhance and expand state and local elder abuse prevention programs through new federal support.

In a press release, the Elder Justice Coalition, a bipartisan organization of over 160 agencies and individuals focused on elder abuse prevention, welcomed the introduction of H.R. 2490 and commended its sponsors for joining Senators Breaux and Hatch in the national fight against elder abuse, neglect and exploitation. For more information on this legislation, visit <http://thomas.loc.gov/cgi-bin/bdquery/z?d108:h.r.02490>. Those interested in joining the coalition should contact Amy Hooper with the National Committee for the Prevention of Elder Abuse (NCPEA) at 202-682-4140, or by email at [elderjustice@erols.com](mailto:elderjustice@erols.com).

### **Senate Aging Committee Holds Hearing on Section 202 Elderly Housing Program**

On June 17, the Senate Special Committee on Aging held hearing on the Department of Housing and Urban Development (HUD) "Section 202" low-income elderly housing program. In his remarks, Committee Chairman Larry Craig (R-ID) cited the Section 202 program's chronic delays and lengthy application process, which have hampered HUD's ability to provide funds to local non-profits housing providers.

During the hearing, the General Accounting Office (GAO) issued a report finding that, as of 2002, HUD officials had not expended \$5.2 billion Congress had appropriated and authorized over the years for low-income senior housing. The GAO found that seventy percent of Section 202 projects funded between 1998-2000 were delayed – directly impacting many of the nation's 1.7 million elderly seniors who have housing affordability problems. To view the GAO report, visit [www.gao.gov/new.items/d03512.pdf](http://www.gao.gov/new.items/d03512.pdf). For the hearing testimony, visit [www.senate.gov/~aging/index.cfm?Fuseaction=Hearings.Detail&HearingID=22](http://www.senate.gov/~aging/index.cfm?Fuseaction=Hearings.Detail&HearingID=22).

### **Title V Senior Worker Program Injunction Denied by D.C. District Court**

On June 17, a federal judge decided against granting an injunction in the case of Experience Works, Inc. v. Chao. Experience Works, the largest grantee of the Senior Community Service Employment Program (SCSEP), was seeking to stop the Labor Department's plan to reallocate funds, beginning on July 1. Under DOL's competitive awards process for SCSEP, Experience Works and four other current grantees would receive a cut in funding, one grantee would be dropped, and four new grantees would be added to the program. In her opinion, Judge Gladys Kessler determined that the

Older Americans Act Amendments of 2000 which requires current SCSEP grantees to meet certain performance measures, does not preclude the Secretary from making new SCSEP program grants on the basis of a national competition. To view the opinion, visit <http://www.dcd.uscourts.gov/03-1233.pdf>.

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